Farm Journal
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**News this week...**
**2** — Gold, silver and copper surge to records.
**3** — China returns to the Brazilian soybean market.
**4** — What to consider when looking at insurance options.

**Wheat takes turn leading strength —** *Winter wheat futures climbed to the highest mark in over two months due to concerns over production in the Black Sea and the Plains as frigid U.S. temps could hurt crops. That strength bled over into the corn and soybean markets early in the week, but technical headwinds limited the upside for each. Corn has nearly broken back into the sideways trading range that capped price action for most of November and December. Soybeans continue in a modest uptrend on the daily bar chart, but reports of China buying large amounts of Brazilian soybeans quickly undercut prices. Live cattle futures continue to be caught between stiff technical resistance and stout fundamental support. Cash cattle trade remained light most of the week ahead of Friday afternoon's Cattle Inventory report, which will give insight into whether the cattle herd has begun rebuilding yet. Lean hogs saw consolidation late in the week following a surge to contract highs in deferred contracts early in the week.*

## Government shutdown averted

President Donald Trump and Senate Democrats said they reached a deal to avert a partial government shutdown. The agreement would fund all of the government except for the Department of Homeland Security (DHS) through September, news reports said. The deal includes a two-week funding package for DHS as negotiations continue on calls by Democrats for restrictions on immigration enforcement. The Senate was expected to vote on the deal Friday. The House, which returns to session on Monday, would have to approve the modified package and send it to the White House for Trump's signature. That means funding for several agencies is likely to briefly lapse over the weekend.

## Trump promises E15 deal

Trump says a deal is near on year-round E15.

"I am trusting [House] Speaker Mike Johnson, who is great, and [Senate majority] Leader John Thune, who is great, to find a deal that works for farmers, consumers and refiners, including small and midsize refiners. In other words, to get E15 approved. They're working on it, they're very close to getting it done," he told a cheering crowd of supporters in Clive, Iowa.

Farm and ethanol groups were angry after lawmakers failed to include language authorizing year-round use of a 15% ethanol blend with gasoline, known as E15, in government funding language. House GOP leaders set up a study council charged with submitting legislation next month.

## Federal Reserve stands pat

The Federal Reserve left interest rates unchanged on Wednesday, with Chair Jerome Powell offering little indication policymakers are in a rush to resume cutting after reductions in the three previous policy meetings. Powell sounded somewhat less concerned about the labor market and remained confident inflation would likely continue to fall back toward the Fed's target. The vote was ten to two, with two members of the rate-setting Federal Open Market Committee arguing for another quarter-point rate reduction.

## Trump picks Warsh to lead Fed

Trump announced on Friday he would nominate Kevin Warsh to succeed Jerome Powell when his term as chair ends in mid-May. Warsh, a former Fed governor, has advocated Trump's call for more aggressive rate cuts but had a reputation as a hawk on inflation during his previous tenure at the Fed, warning that easy money would fuel inflation. The initial market reaction saw stocks and gold prices fall, while the dollar rose on ideas that Warsh will be less likely to push for big rate cuts than other candidates. Warsh's confirmation may not happen soon. Republican Sen. Thom Tillis of North Carolina repeated his vow to block Fed nominations until a criminal probe of Powell, which the lawmaker has described as an attempt to intimidate the central bank, is transparently resolved.

## Disaster declared over NWS

Texas Governor Greg Abbott late Thursday issued a statewide disaster declaration to "better equip the Texas New World Screwworm Response Team to prevent the potential spread of the NWS fly into Texas and to better protect livestock and wildlife," the governor said in a press release.

"Although the New World screwworm fly is not yet present in Texas or the U.S., its northward spread from Mexico toward the U.S. southern border poses a serious threat to Texas' livestock industry and wildlife," Abbott said. "State law authorizes me to act to prevent a threat of infestation that could cause severe damage to Texas property, and I will not wait for such harm to reach our livestock and wildlife."

USDA has been slow to establish a firm plan in reopening the southern border, and Abbott looks to be taking some matters into the state's hands.

## Trade deficit widens

The trade deficit in the U.S. widened sharply to $56.8 billion in November, the widest in four months, according to data from the Bureau of Economic Analysis. That is sharply up from a $29.2 billion deficit in October, which was the lowest since 2009. The drastic swings in trade figures underline the effects of Trump's frequent tariff changes.

## Mixed expectations on SA production

*Pro Farmer* crop consultant Michael Cordonnier increased his Brazilian soybean estimate 1 MMT to 179 MMT. Harvest continues to run ahead of average as early yields have been very good, ranging from 60 to 65 bu. per acre for the most part. Meanwhile, rainfall will be scarce in southern Brazil, which Cordonnier says will need to be watched closely. He went on to say that while he increased his estimate, he is still concerned about the crop, largely due to forecast hot and dry weather. Cordonnier left his Brazilian corn estimate unchanged at 137 MMT and holds a neutral bias. Planting continues at a healthy pace.

Cordonnier cut his Argentine soy production estimate 1 MMT at 48 MMT. Persistent dry weather is leading to crop stress, which will likely drag yields lower. He cut his Argentine corn estimate 2 MMT to 54 MMT due to persistent hot, dry weather during the critical reproductive stage for early planted corn. Cordonnier anticipates his estimate could work lower if dryness persists over the coming weeks.

## Gold, silver, copper toppling records

Gold surged to a record above $5,500 an ounce while silver climbed over $120 an ounce in a rally fueled by a weaker dollar and investor flight from sovereign bonds and currencies, said a Bloomberg report. Gold has risen by nearly 30% this year and silver is up nearly 66%, rapidly extending the bull runs. Garfield Reynolds, a Bloomberg strategist, said "Gold's near 30% rally this month and silver's eye-popping 60%-plus spike have the two precious metals close to their steepest such rallies on record. The relentless momentum will be making traders concerned that these seemingly unsustainable surges will end with very ugly and sustained reversals."

Copper prices rose by the most in more than 16 years as metals extended a dramatic start to the year fueled by a wave of intense speculative trading in China, Bloomberg reports. Copper has seen an explosion higher similar to what has been seen in the gold and silver markets. Supply tightness has been met with persistent robust demand for the red metal. While recent speculation has boosted volatility, the increase in copper prices will likely keep upward pressure on inflation.

While the precious metal rally appears to be in the ninth inning, a lot of runs can still be scored. Volatility continues to run high in both markets, which has spilled into the commodity sector as a whole. Crude oil also saw impressive gains last week as tensions continue to ratchet up in the Middle East. Grains have been slow to follow the overall commodity sector higher, but funds look to be changing their tone.

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## Food stockpiles making comeback

The Financial Times earlier this month noted a trend among governments around the world, which decades after dismantling food reserves and putting their faith in global trade, are now rebuilding emergency stockpiles. The report noted countries from Sweden and Norway to India and Indonesia are rebuilding emergency reserves, holding back rice, wheat and other staples, spooked by fears of a world they see growing increasingly unstable.

## EU, India reach trade agreement

The European Union and India signed a free-trade agreement after almost two decades of negotiations, part of an effort to deepen economic ties that has gained momentum amid the Trump administration's tariff policies.

"We have concluded the mother of all deals," said European Commission President Ursula von der Leyen on social media.

She was in New Delhi to mark the moment with European Council President Antonio Costa and added that the accord "created a free trade zone of 2 billion people, with both sides set to benefit." Indian Prime Minister Narendra Modi hailed the agreement as a means of strengthening India's manufacturing and services sectors while boosting investor confidence in Asia's third-largest economy. The EU has slowed trade with the U.S. and currently has no shipments of U.S. soybeans booked, a rarity as the EU typically imports the second-highest amount of U.S. beans behind China.

## Russia increasing oilseed footprint

Russia exported 50 MMT of grain in 2025, according to Russian Agriculture Minister Oksana Lut. Harvest in 2025 amounted to 140 MMT, including 91 MMT of wheat. Lut anticipates 2026 exports of 55 MMT. Over the next four years, Lut notes Russia is looking to boost production of grains to 170 MMT while boosting exports to a whopping 80 MMT.

Lut says Russia achieved self sufficiency in soybeans over the past five years and has become an exporter of the oilseed, providing further competition on the world market for beans.

## Higher tariffs on South Korea likely

President Donald Trump threatened to raise tariffs on South Korea, citing legislative approval delays in South Korea's legislature approving a pact struck in late October with the country's president, Lee Jae Myung. The move caught officials in Seoul by surprise, the Wall Street Journal said, while sowing fresh doubts among U.S. trading partners about the staying power of Trump's deals.

South Korea was the fifth-largest importer of the U.S. agricultural goods in 2024, according to USDA.

## China turning to Brazilian beans

China has ramped up its orders for Brazilian cargoes of soybeans after meeting an initial shipment volume from the U.S. as part of a trade truce reached with Washington last fall.

"In the past week, importers have booked at least 25 cargoes of the beans for loading mainly in March and April, driven by margins, according to traders with knowledge of the deals. At the same time, state-owned companies have appeared to refrain from taking U.S. cargoes," Bloomberg reported.

"It makes complete sense to step up purchases of Brazilian soybeans after meeting the U.S. pledge," said Meng Zhangyu, an analyst at Wuchan Zhongda Futures Co. "Brazilian supplies are much cheaper."

## China buying more Canadian canola

Reuters reported China booked up to 10 cargoes following Prime Minister Mark Carney's visit to Beijing earlier this month. Ten cargoes, or around 650,000 metric tons, would be over 10% of China's canola imports in 2024 and about 26% of its total imports last year, the report said. During Carney's visit, China and Canada reached an initial trade deal that slashes tariffs on Chinese vehicles in exchange for lower duties on Canadian canola. While the trade deal was relatively modest, it was seen as marking a major shift in relations between the U.S. and Canada — a notion reinforced by Carney's speech last week at the World Economic Forum annual meeting in Davos, Switzerland, in which he called for "middle powers," such as his Canada, to work together to counter the rise of hard power amid a "rupture" in the rules-based global order.

## TACO statistics says tariffs won't stick

A study of proposed tariffs versus enacted duties found Trump followed through on 27% of his tariff threats since November 2024. That feeds into the TACO (Trump always chickens out) trade, which was dubbed in 2025. That provides some solace that the 100% tariff threat on Canada, due to the country increasing trade relations with China, might not come to fruition. Canada produces about 32% of global fertilizers, so higher tariffs would quickly lead to higher input prices on the farm.

## U.S., Denmark, Greenland deliberate

U.S., Danish and Greenlandic officials met to discuss a new framework deal over Greenland amid the U.S. desire to see a greater American presence on the Arctic island. The senior officials met to "discuss how we can address U.S. concerns about security in the Arctic while respecting the red lines of the Kingdom," said Oliver Routhe Skov, the spokesman for Denmark's embassy to the U.S., as reported by Bloomberg.

## Trump warns Iran on nuclear deal

Trump warned Iran to make a nuclear deal with the U.S. or face military strikes far worse than the attack he ordered last June, increasing pressure on the regime and propelling crude oil prices higher. In a social-media post late Wednesday, Trump said the fleet of U.S. ships he'd ordered to the region, led by the USS Abraham Lincoln aircraft carrier, is "ready, willing and able to rapidly fulfill its mission, with speed and violence, if necessary," Bloomberg reported.

"Hopefully Iran will quickly 'Come to the Table' and negotiate a fair and equitable deal — no nuclear weapons — one that is good for all parties," Trump wrote.

In response, Iran said it stands ready for dialogue based on mutual respect and interests but warned that, "If pushed, it will defend itself and respond like never before," the country's mission to the United Nations said in a post on X.

## Surging Brazilian real

Commodity bulls have been cheering a broad sell-off in the U.S. dollar (see General Outlook and From the Bullpen), but a surging Brazilian real is the cherry on top for grain traders. A stronger real and cheaper dollar help make U.S. supplies more competitive against Brazil. The dollar has fallen to its weakest versus the real since May 2024. Brazil's central bank on Wednesday kept its key lending rate unchanged at 15%, a nearly two-decade high, but signaled it would likely begin easing next month.

## Deere onshoring some manufacturing

Deere & Co. is shifting the construction of excavators from Japan to a new $70-million facility in North Carolina and is building a distribution center in Indiana as a part of a bid to bolster American Manufacturing, says a Bloomberg report. Deere has been actively downsizing parts of its agricultural manufacturing business, so seeing the company move other business to the U.S. is a positive sign.

"Our investment in these new facilities underscores John Deere's dedication to strengthening the backbone of American industry and supporting local economies," Deere CEO John May said in the statement.

## New SAF facility possible in Singapore

Keppel and Aster have agreed to jointly assess a production project on the city-state's Jurong Island industrial area, the companies said, according to Reuters. The proposed facility is expected to produce up to 100,000 metric tons of sustainable aviation fuel per year, the companies said in a statement without giving a specific timeline. Singapore is one of only a few countries that has a mandated blend target for SAF in 2026.

# Using insurance as a piece of the marketing pie

**By Lane Akre, Economist**

Economists are forecasting the 2026 crop year as another season of tight margins with low crop prices and high inputs costs. We talked with Ben Rand from Federal Crop Agency and Blue Line Futures on a way to lock in high level coverage to help protect the bottom line.

### *What are SCO and ECO*

The Supplemental Coverage Option (SCO) was introduced in the 2014 farm bill and provides county-level coverage from the top of an elected MPCI policy (for example, 70% revenue protection) up to 86% of expected revenue. The Enhanced Coverage Option was introduced in 2021 and provides coverage from 86% upward to 95%.

SCO and ECO both use the same pricing periods as most MPCI policies, averaging the spring price in February and the harvest price in October. While Revenue Protection and Yield Protection policies cover individual producer losses, SCO and ECO use final county yields from the Risk Management Agency to determine indemnities.

While these products have been around for years, their price tags have deterred buyers. Congress worked to lower the farmer paid price of SCO and ECO with the One Big Beautiful Bill Act, which increased the government paid portion on these products from 65% to 80% for 2026.

Using SCO and ECO allow for subsidized 95% coverage before the crop is even in the ground, providing both price and yield protection at the county level and deferring the payment for that coverage, allowing for flexibility in marketing crops early in the marketing year.

### *Insurance as a piece of marketing plan pie*

Crop insurance policies have vastly improved over the past decade, with the first federally subsidized 95% level coverage policy (Margin Protection) hitting shelves a decade ago in select states. Since then, products have become more available and more affordable as subsidy rates increase. This makes insurance a valuable tool, safeguarding against both price drops and county-level yield losses while giving producers the confidence to market more aggressively.

Active risk management remains key, knowing costs and breakevens with a plan in place to take advantage of sales at or above breakeven prices. Insurance provides baseline coverage, though as the growing season progresses through the summer months and production prospects are better understood, it will be appropriate to reevaluate coverage. As county yields go up, insurance coverage floors fall in terms of price, and it could be appropriate to cover risk in other places.

While the spring pricing period has not yet begun, we can use recent prices to help establish what coverage could look like. December 2026 futures traded around $4.55 last week, which would indicate 95% coverage around $4.32 with the upside still fully intact. Ahead of harvest, when prices are below $4.32, confidence can be found in being covered by insurance if prices stay that low and yields stay average, allowing patience in advancing sales. If prices were to go up, that would be a good opportunity to advance sales or ratchet up floors using put options or futures sales.

### *When SCO and ECO might be a fit*

County-level products are often criticized because a producer who suffers a loss might not get a payment. As Rand explains, the biggest hangup is that payment is determined by the county's overall performance rather than your individual outcome. To help decide if coverage is right for you, Rand says most big insurance carriers offer tools that let individual farmers see how their operations stack up versus the county with historical payments for each product as well. Needless to say, county-level products are best for growers whose performance runs close to county averages. Producers who see bigger variations, as is often the case in the western Corn Belt due to localized adverse weather, might find better value elsewhere.

### *Next steps*

Rand says there is "no better time to buy up and protect the margins that you have." In the western Corn Belt, the relative low cost of SCO and ECO could still make sense as a part of a risk management plan, especially when considering other policies, such as hail, on top of RP and SCO/ECO. Historically, using SCO handcuffed producers to signing up for PLC, though that stipulation is no longer in place. If you are interested in learning more, contact your local agent. The sales closing date is March 15 for SCO and ECO, the same as MPCI policies.

Insurance provides a baseline, but proactive marketing captures opportunities. We'll continue providing the same disciplined advice to help you build on that protection as the 2026 crop year unfolds.

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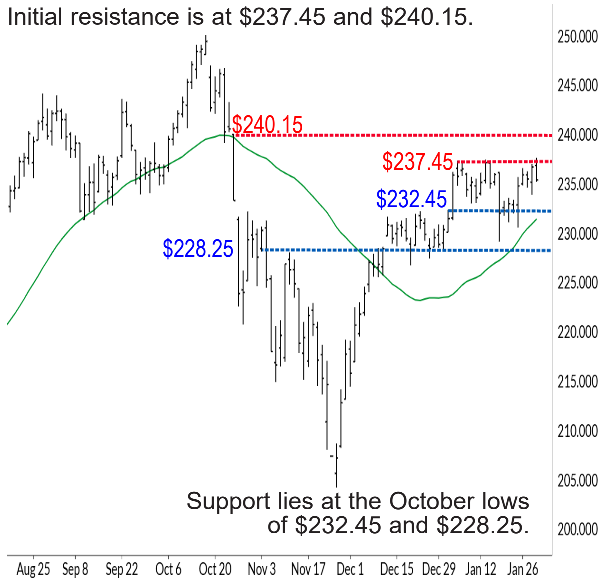
# ANALYSIS

January 31, 2026

## CATTLE

The recent cold snap prodded buyers last week in both live cattle and feeder futures. Slaughter levels declined sharply as several shifts at beef plants were canceled in addition to the closing of the Tyson plant, though slaughter levels are expected to remain saddled over the near-term as packers adjust to the closing and adjusted output at remaining plants. Volatility in boxed beef is likely as the supply chain siphons out potential kinks. Boxed beef continues to grade at optimal levels, with cattle grades above Choice topping all time records last week. All indications point to a continued push higher.

### DAILY FEBRUARY LIVE CATTLE




**Position Monitor**

| Game Plan: | | Feds | Feeders |
|---|---|---|---|
| | I'26 | 0% | 0% |
| | II'26 | 0% | 0% |
| | III'26 | 0% | 0% |
| | IV'26 | 0% | 0% |

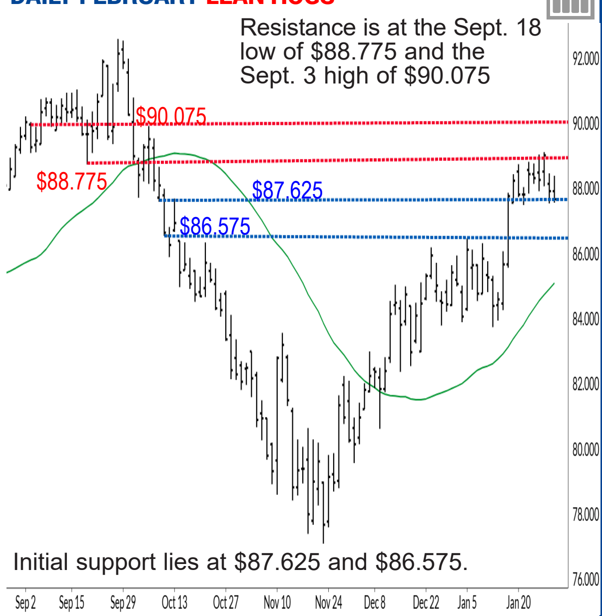
Nearby live cattle futures are at a premium to the cash market. Be prepared to purchase puts for downside protection.

### CME FEEDER INDEX ($/CWT)

## HOGS

April futures extended to new contract highs last week, ultimately notching a near $16.50 gain since the Nov. 21 low as cash fundamentals have put bulls in the driver's seat. The midweek gap lower and correction after such a move caused little reason for alarm, though hedge protection would certainly favor risk management at this juncture. A test and close below the 20-day moving average would signal warning of a greater pullback. However, demand for pork is likely to remain strong at the retail counter as an alternative to higher-priced beef products.

### DAILY FEBRUARY LEAN HOGS

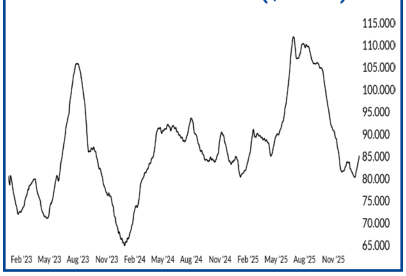



**Position Monitor**

| Game Plan: | | Lean Hogs |
|---|---|---|
| | I'26 | 0% |
| | II'26 | 50% |
| | III'26 | 0% |
| | IV'26 | 0% |

We advised buying $104 July puts on Jan. 28 as a hedge for 50% of Q2 production. Stay patient for now as we assess the next opportunity to hedge.

### CME LEAN HOG INDEX ($/CWT)



## FEED

**Feed Monitor**

| Corn | |
|---|---|
| I'26 | 66% |
| II'26 | 0% |
| III'26 | 0% |
| IV'26 | 0% |

| Meal | |
|---|---|
| I'26 | 100% |
| II'26 | 0% |
| III'26 | 0% |
| IV'26 | 0% |

**Corn Game Plan:** Your corn-for-feed needs should be covered through February. Be prepared to make additional purchases.

**Meal Game Plan:** Your meal needs should be covered through the end of March. Be prepared to make additional purchases on an extended pullback.

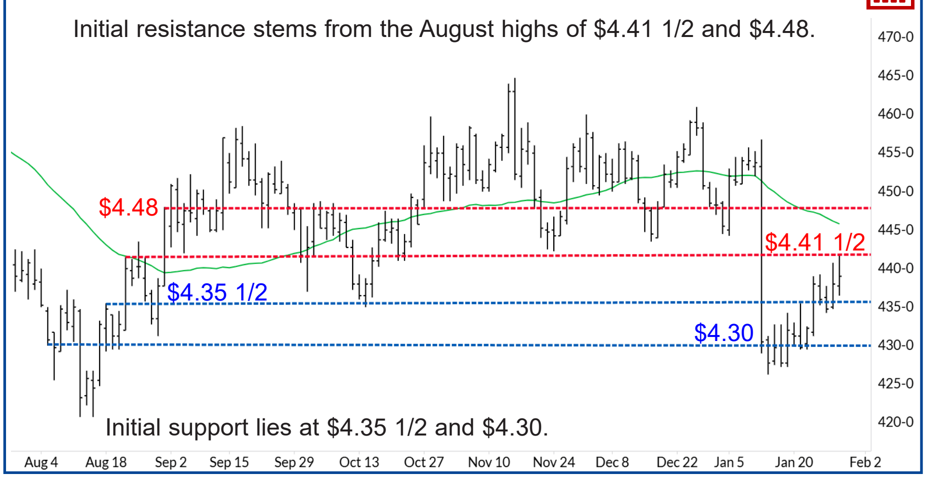
### DAILY MARCH SOYBEAN MEAL

### Position Monitor

| | '25 crop | '26 crop |
|---|---|---|
| Cash-only: | 25% | 10% |
| Hedgers (cash sales): | 25% | 10% |
| Futures/Options | 0% | 0% |

**Game Plan:** We advised hedging 10% of 2026 production at $4.50 or better basis December futures on Jan. 14. You should be 25% sold for the 2025 crop in the cash market. Additional sales for both crops will continue to be closely assessed. Our goal is to establish a floor with upside potential using a combination of options and futures hedges for new crop flexibility.

### DAILY MAY CORN

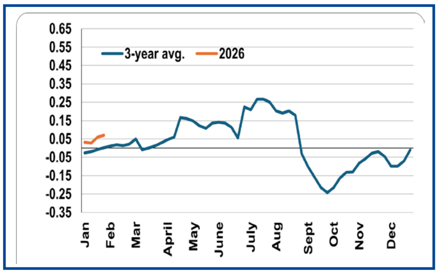



### DAILY MARCH CORN

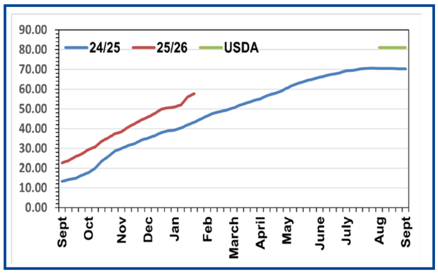

## CORN

President Donald Trump's promise to deliver year-round E-15 last week was hardly met with excitement even as the U.S. dollar extended its plunge and crude oil scored a six month high. Short-covering strength in SRW futures as the week progressed appeared to inspire the same in corn futures, though big supplies and technical pressure will continue to limit a move higher barring a catalyst. As traders begin to look toward the 2026 crop, USDA's late March Prospective Plantings Report will be the next major market driver, though hot, dry conditions in Argentina and potentially delayed safrinha corn plantings in Brazil could stir some excitement ahead of its release.

### AVERAGE CORN BASIS (MARCH)




### CORN EXPORT BOOKINGS (MMT)




### Position Monitor

| | '25 crop | '26 crop |
|---|---|---|
| Cash-only: | 70% | 30% |
| Hedgers (cash sales): | 50% | 20% |
| Futures/Options | 0% | 0% |

**Game Plan:** On Jan. 30, we advised selling 20% of old crop basis March futures and 10% of 2026 production basis July futures. You should have 70% of the 2025 crop and 30% of 2026 crop sold in the cash market.

## WHEAT

**SRW** — Short-covering pushed SRW wheat futures to a 10-month high last week, largely driven by bitter cold across the U.S. and Black Sea regions, heightening concerns around winterkill. A strong pullback in the dollar is also supportive of end-user demand for U.S. supplies.

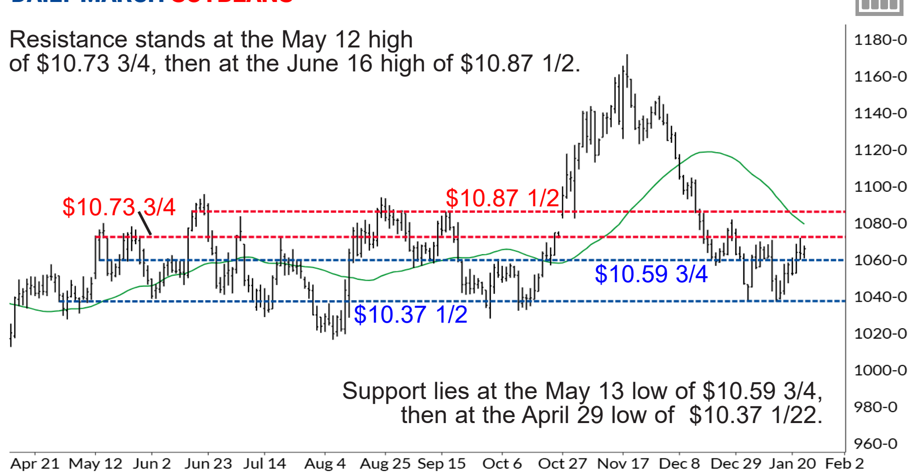
### DAILY MARCH SRW WHEAT

## Position Monitor

| | '25 crop | '26 crop |
|---|---|---|
| Cash-only: | 30% | 10% |
| Hedgers (cash sales): | 30% | 0% |
| Futures/Options | 0% | 0% |

**Game Plan:** We advised selling 10% of the 2026 crop on Jan. 14 at $10.60 or better basis November futures. You should be 30% sold in the cash market for the 2025 crop. Sales for both the 2025 and 2026 crops will continue to be assessed. Be prepared for guidance on an option strategy to establish floors for new crop production.

### DAILY MARCH SOYBEANS

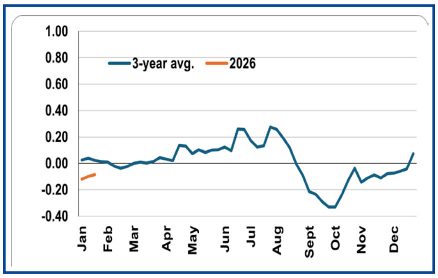



### DAILY MAY SOYBEANS

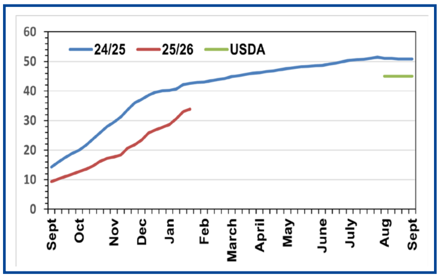

## SOYBEANS

Soyoil-led strength bolstered soybeans to a six-week high last week, though resistance at the 100-day moving average and technically overbought conditions were ripe for a corrective pullback into late-week trade. Harvest efforts in Brazil continue to advance, with early yields proving strong. However, crop consultant Michael Cordonnier notes weather concerns are present and underscored Conab's cut to soybean acres for two consecutive months, which now sit 1 million acres below USDA's estimate. Meanwhile, U.S. producers are hammering out planting intentions for the 2026 crop, with early indications signaling bean acres might take a back seat for a second straight year.

### AVERAGE SOYBEAN BASIS (MARCH)




### SOYBEAN EXPORT BOOKINGS (MMT)



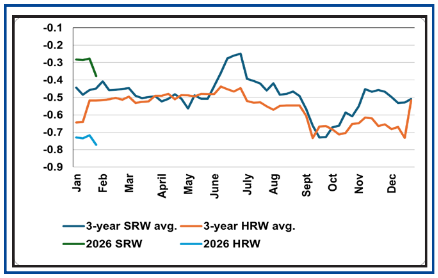

### DAILY MARCH HRW WHEAT


### DAILY MARCH HRS WHEAT

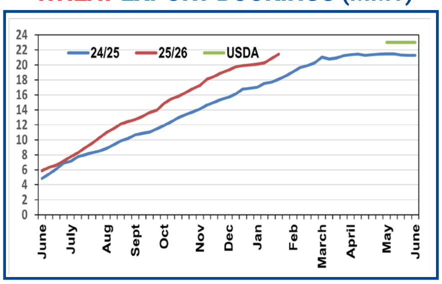

**HRW —** Multiweek highs were forged last week, which are at the top end of the three-month trading range. State-by-state condition ratings next week might show a struggling winter crop amid recent weather conditions, though a move above the Nov. 5 high could be a tall task. A correction is likely, but a solid technical posture should limit sellers.

**HRS —** Signs of life emerged in spring wheat futures last week as the March contract forged a close above the 100-day moving average for the first time since early July. Bargain hunters appear to be stepping into the grain complex, though a breakout of the four-month trading range will be key for bulls to muster additional momentum.

### AVERAGE WHEAT BASIS (MARCH)




### WHEAT EXPORT BOOKINGS (MMT)



**Position Monitor**

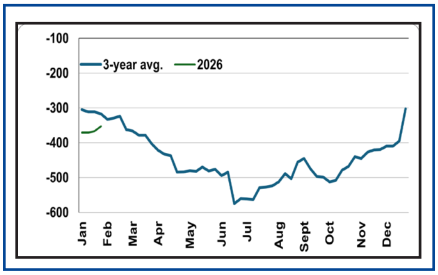
| | '25 crop | '26 crop |
|---|---|---|
| Cash-only: | 20% | 0% |
| Hedgers (cash sales): | 20% | 0% |
| Futures/Options | 0% | 0% |

**Game Plan:** You should have 20% of 2025 crop sold in the cash market. We are currently viewing 67.00¢ basis March futures as the next target.

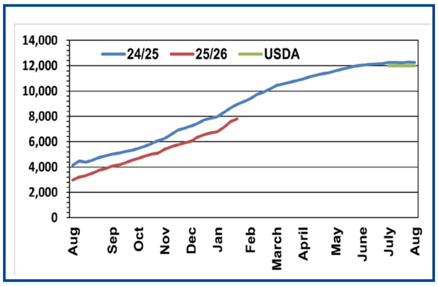
## COTTON

March futures continued to face technical headwinds last week despite support from a notable decline in the U.S. dollar. Key will be if sustained weakness in the dollar incentivizes export sales as domestic supplies become more competitive in the global marketplace.

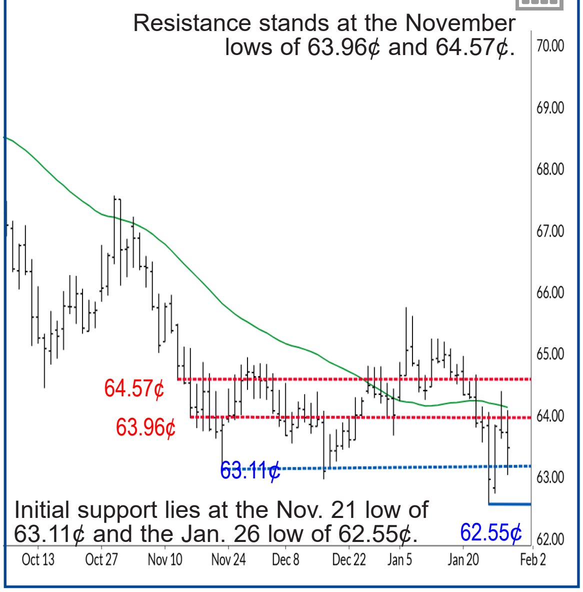
**AVERAGE COTTON BASIS (MARCH)**




**COTTON EXPORT BOOKINGS ('000 BALES)**




**DAILY MARCH COTTON**



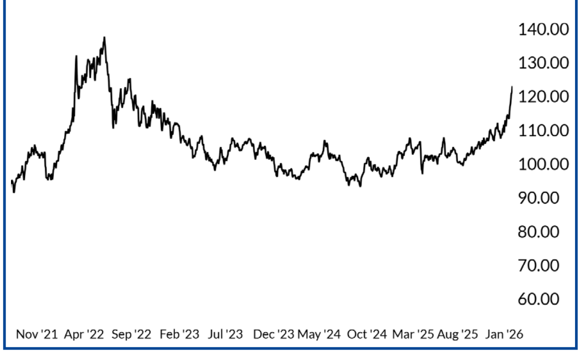

## GENERAL OUTLOOK

COMMODITIES: Legendary commodity trader Paul Tudor Jones said last fall that an "explosive" rally in the raw commodity sector was likely, due to large fiscal deficits in major economies and debased fiat currencies that will prompt problematic inflation.

Jones' prediction seems prescient as the precious metals markets late last year embarked on strong price rallies that have propelled those markets to record highs. However, those markets' rallies are now very long in the tooth.

You can bet the big, speculative hedge fund traders are now looking for early clues for the next boom in a specific raw commodity sector. Grains could be that sector. Technical charts are now showing the most price-positive postures in the grain futures since early last fall.

**DAILY BLOOMBERG COMMODITY INDEX**




## FROM THE BULLPEN By Editor Bill Watts

Investors around the world have been paying close attention to renewed weakness in the U.S. dollar, with a closely followed gauge of the currency's value against major rivals this past week hitting a four-year low.

A weaker dollar is typically seen as a positive for commodities, making them less expensive to users of other currencies. Strong export demand for corn and wheat was likely aided by the dollar's 2025 weakness, with the dollar index seeing its biggest yearly fall since 2017. But for now, the biggest beneficiaries of a sliding dollar seem to be largely precious and industrial metals. Gold has extended a run above $5,000 an ounce, while silver is soaring above the eye-watering $100-an-ounce threshold. Ag commodity bulls are enticed by the idea that buying interest will widen if dollar weakness and growing inflation fears continue (see General Outlook).

Much of last year's dollar decline came in the first half of 2025. Recent weakness has been tied to renewed tariff uncertainty, concerns about the U.S. government's fiscal outlook and the renewed threat of a partial government shutdown. It also reflects a sense that President Donald Trump would prefer a weak dollar to aid U.S. exports, encourage re-industrialization and juice economic growth. Trump on Tuesday told reporters he thought the dollar's decline was "great."

## WATCH LIST

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| 1 | **USDA Soy, Grain Crush Rpts.** Domestic crush data for Dec. | **MON 2/2** 2:00 p.m. CT |
| 2 | **USDA State Crop Conditions** State level crop ratings for Jan. | **WED 2/3** 3:00 p.m. CT |
| 3 | **Weekly Ethanol Production** Will weather affect production? | **WED. 2/3** 9:30 a.m. CT |
| 4 | **Weekly Export Sales Report** Soybean sales a focus. | **THUR 1/29** 7:30 a.m. CT |
| 5 | **Michigan Consumer Sentiment** Preliminary February data. | **FRI 2/6** 8:00 a.m. CT |